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12 January 1956

MEMORANDUM FOR: Legislative Counsel

SUBJECT : Executive Pay Act of 1955

1. This morning Mr. Reynolds telephoned from his home, where he is ill, and asked me to telephone Mr. Ismar Baruch at the Civil Service Commission and ask him whether he had any comments or suggestions to CIA on our proposals for the relative rank and salary for the DCI and the DDCI.

2. I reached Mr. Baruch at 10:45 a.m., and for approximately fifteen minutes discussed with him the pending legislation. In the course of the conversation Mr. Baruch made the following points:

a. He does not expect the pay bill to come up until late in the session.

b. Congressman Murray has stated on the floor of the House that he is of the firm opinion that only cabinet members should be paid more than congressmen, who receive \$22,500 per year.

c. The President has established a \$25,000 ceiling for cabinet members. Mr. Baruch feels this should have been much higher. The Senate established a level of \$20,000 for eight assistant attorney generals, while the House established a level of \$19,000 for these jobs. Therefore, the executive pay bill has to warp in between these two levels all of the heads of independent establishments, under secretaries, assistant secretaries, and the like.

d. He has had no indication from the White House as to what changes might be recommended or what position might be taken with respect to any of the relative ranks or salaries.

e. Many times decisions are reached on legislation outside of formal committee hearings. In this context he believes it would do us no harm to place in the hands of Congressman Murray and Senator Johnson copies of the DCI's letter of 3 December 1955 to the Director of the Bureau of the Budget and the Chairman of the Civil Service Commission. When I questioned the propriety of this he suggested that if our Legislative Counsel cleared with Mr. Roger Jones of the Bureau of the Budget, that we would keep ourselves in the proper channels.

f. He and Mr. Young are well aware of the DCI's views and will present them at every opportunity. He invited a call back in another two weeks or so, in case there are further developments which come to his attention.

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g. He suggests that if the Legislative Counsel has any personal contacts among the President's assistants, he pass the DCI's views to them. His purpose in this suggestion is to be sure that all possible persons are acquainted with the DCI's views, and referred it back to the fact that the Administration's view on the bill will undoubtedly represent the composite view of the President's assistants, along with that of Mr. Young and others.

STATINTL

Executive Officer
Office of Personnel

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